

Notice of Proposed Rulemaking (NPR) - Changes to Implement the Patent Business Goals

Executive Summary

64 FR 53772 (October 4, 1999)

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The Federal Register notice may be accessed at:
<http://www.uspto.gov/web/offices/com/sol/notices/fr991004.pdf>

Below is a listing of the more significant proposals set forth in the Notice of Proposed Rulemaking entitled "Changes to Implement the Patent Business Goals." Only a brief summary of those proposals that would actually change current practice is included in this listing. Conforming amendments in the rules, and those proposals that would merely clarify what current practice requires are not included in this listing. The last item of the listing sets forth all the rules that would be changed independent of the significance of the proposed change.

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Brief Summary of the Proposals by Rule Order

- 1) § 1.4(b) Provides that the Office may dispose of duplicate copies of correspondence (not required to be filed in duplicate).
- 2) § 1.9(f)(4)(i) Removes bar to small entity status for a person granting a license to the U.S. government from a rights determination under Executive Order 10096.
- 3) § 1.14 Completely re-written so as to be easier to understand. No longer provides for giving status information about any application that claims a priority benefit to a file that status can be given on (currently § 1.14 (a)(1)(ii)) . No longer provides for access to abandoned applications which claim priority from the filing date of an application that issued as a patent or an application that is open to public inspection (currently § 1.14 (a)(3)(iv)(C)).
- 4) § 1.19(b)(2) New fee for a copy of a patent-related file wrapper, from \$150 total to \$250 for the first 400 or fewer pages plus \$25 for each additional 100 pages over 400.

- 5) § 1.22(b) Where a single payment is made that represents more than one fee, a “should” is changed to a “must” for itemization of fees being paid, and where the itemization does not occur, the payment may be returned.
- § 1.22(c) Defines that the date of payment of a fee, whether it is paid by check or by an authorization to charge a deposit account, is the date the fee paper was filed in the Office. See proposed § 1.28(b).
- 6) § 1.26(a) Provides means to facilitate refunds by electronic transfer.
- § 1.26(b) Replaces a subjective standard of within a “reasonable time” for requesting a refund with an objective two year limit measured from the date of payment as defined by § 1.22(c), or from the date of a deposit account statement where the Office charges an amount other than what was indicated in the authorization.
- 7) § 1.27(b)(1) Small entity status can be established by a simple written assertion of entitlement to small entity status without use of a specialized form, or a reference to § 1.9, or actually presenting the averments required by the rule. The Office will liberally construe any written reference to small entity status to be a request for small entity status.
- § 1.27(b)(2) The parties who can request small entity status are expanded to include a registered practitioner (who need not actually be of record), one of the inventors (instead of all the inventors), or a partial assignee (instead of all the assignees).
- § 1.27(b)(3) Payment of any exact small entity basic filing or national fee is sufficient to assert and obtain small entity status (even if incorrectly identified for the type of application being filed), which expands the practice from continuing and reissue applications under current § 1.28(a)(2).
- 8) § 1.28(a) The period for requesting a refund based on small entity status would be increased to 3 months from 2 months (from the date of payment of the large entity fee).
- § 1.28(b)(1) The date of payment of a full fee (non-small entity) is defined by reference to proposed §1.22(c) thereby causing full fees paid by authorizations to charge a deposit account to have a date of payment as of the date the fee paper was filed, which is earlier than when the deposit account was actually debited.

- § 1.28(c)(1) Any paper correcting an error in claiming small entity status where one or more small entity fees were erroneously paid must be limited to the payment error(s) in one application or in one patent file.
- § 1.28(c)(2) Submissions of deficiency payments for errors in claiming small entity status must be itemized.
- § 1.28(c)(3) Failure to comply with the separate submission and itemization requirements of § 1.28(c)(1) and (2) will either be treated as authorization for the Office to process the deficiency payment and charge a processing fee or result in a requirement for compliance with these requirements within a one month non-extendable time period to avoid return of the fee deficiency paper, at the option of the Office.
- 9) § 1.33(a) The correspondence address must be specified in a clearly identifiable manner or in a newly proposed Application Data Sheet of § 1.76, or correspondence would be forwarded to the first named inventor. A request is added for a daytime telephone number.
- § 1.33(a)(1) Prior to filing a § 1.63 oath/declaration, the correspondence address may be changed by the party filing the application, including those inventors who filed the application (versus all the listed inventors), a party that will be a (full or partial) assignee (as the inventors are only identified and not named until the oath/declaration is filed), the attorney or agent, or any other practitioner named in the application transmittal papers.
- 10) § 1.44 Reserved. The accompanying proof requirement for the power or authority of the legal representative for a dead inventor (§ 1.42) or an insane or legally incapacitated inventor (§ 1.43) would be deleted. The oath/dec by an identified legal representative would be sufficient.
- 11) § 1.47(c) The Office may dispense with notice provisions to nonsigning inventors of a prior application upon the filing of a continuation or divisional application.
- 12) § 1.52(b)(6) Would provide for the option of numbering paragraphs in the specification, not including the claims, abstract, or non-text elements, to support the proposed change to § 1.121 relating to amendment by replacement paragraphs.

- § 1.52(d)(2) Would eliminate the requirement for an English language translation of non-English language provisional applications in the provisional application. If a non-provisional application claims the benefit of the provisional application, an English language translation would only be required if an interference is declared or if the examiner specifically requires one (as a result of finding intervening prior art). The translations are not required in provisional applications as they are not examined.
- 13) § 1.53(e)(2) The petition fee relating to a notification of failure to meet filing date requirements for a provisional application under § 1.53(c) would be raised to the same level as the petition fee relating to applications under §§ 1.53(b) and (d).
- § 1.53(f)(5) Would replace the current one year period for submitting a retention fee to retain a (prior) application for priority purposes where the filing fee was not submitted with a requirement that the retention fee be submitted while the prior application is still pending (the retention fee that is being substituted for the filing fee would be required to be submitted within the period for submission of the non-submitted filing fee).
- 14) § 1.55(a) Would no longer permit a petition under § 1.312(b) for entry of a claim for foreign priority after the issue fee is paid. A priority claim would be permitted to be filed (along with the processing fee) but it would not be reviewed for compliance with the conditions of 35 U.S.C. 119(a)-(d). The patent would not contain a priority claim, but the patentee could file a certificate of correction request under § 1.323.
- 15) § 1.56(e) Adds an explicit duty to disclose all information known to be material to patentability as defined under § 1.56(b) which became available between the filing date of the prior application and the national or PCT international filing date of a continuation-in-part application. This change would do away with the need for a separate CIP § 1.63 form that contains the provision that now would be explicitly added to § 1.56(b). Compare current § 1.63(e) with the instant proposed section.
- 16) § 1.63(c) Permits certain information (inventor's full name, mailing address and residence, and foreign application information) to be on an Application Data Sheet rather than in the § 1.63 oath/dec. Missing information need not, therefore, be submitted by way of supplemental oath/dec.

- 17) § 1.67(a) Supplemental oaths/decs may be submitted by fewer than all the inventors or an applicant other than an inventor to correct deficiencies or inaccuracies if the earlier filed oath/dec complied with § 1.63(a).
- 18) § 1.72 The word length of the abstract for consistency with PUT would be required not to exceed 150 replacing the MPEP 608.01(b) range of 50-250.
- 19) [§ 1.75] [The proposal in the advance notice for placing a limit on the number of claims in an application is NOT carried forward in the NPR.]
- 20) § 1.76 A new rule that would optionally provide for an “Application Data Sheet” containing bibliographic data in a specified format as a result of deployment of PRINTEFS.
- 21) § 1.78(a)(2) Would permit the specific priority reference required by 35 U.S.C. § 120 to be in the Application Data Sheet of § 1.76 rather than in the first sentence in the specification following the title. (This would be used in creating the patent front page).
- 22) § 1.84 Drawing standards would be relaxed as the Office will focus on what is needed to reproduce the drawings for printing in the patent and for communicating the invention to the examiner. The standards of paragraphs (d), (h)-(j), (k)(1) and (3), (m), (n), (p), (r),(s), and (x) would be deleted and moved to the MPEP.
- Would permit color drawings/photographs to be printed in color in the patent without need for a petition. A processing fee would be required. Examiner may require black and white drawing if the subject matter admits of illustration by a black and white drawing.
- 23) § 1.85(c) Extensions of time would no longer be permitted to extend the three month period for filing corrected or formal drawings from the Notice of Allowability (in view of 4 week, rather than 16 week, printing from the date the issue fee is paid). See also §§ 1.312(b), 3.81(b).
- 24) § 1.96 Require computer program listings to be submitted on CD-ROM or CD-R as the official copy and eliminate microfiche submissions. See also § 1.821.

- 25) §§ 1.97, 1.98][Proposals for a statement of personal review of each item cited, unique descriptions, and a limit on the number of citations in the advance notice are NOT carried forward in the NPR].
- § 1.97(b)(1) Elimination of the current 3 month window for filing an IDS submission in a CPA (§ 1.53(d)) - since CPAs are treated as amended applications by examiners and subject to short turnover times.
- § 1.97(c) The limitation “or an action that otherwise closes prosecution” is added.
- § 1.97(d)(2) The \$130 petition fee would now be a \$240 IDS fee for IDSs submitted between close of prosecution and payment of the issue fee - to reflect Office increased handling costs under new patent printing processes.
- § 1.97(e)(1) Added requirement that the item of information be cited for the “first” time in a communication in a counterpart application from a foreign patent office not more than three months prior to its submission in the U.S. application. (This avoids abuse which occurs when document was first cited in SR, then submitted to Office after it was again cited in ER from same foreign office.).
- 26) § 1.98(a)(2) Paragraph (iii) would require submission of copies of U.S. patent applications that are being cited in IDS statements. (This will reduce petitions for access to pending application cited in prosecution histories of patents).
- 27) § 1.103 On filing of a CPA application, provide for an opportunity to request a three month postponement of a first Office action, which request would require a processing fee. (This will permit applicant time to file a preliminary amendment and avoid a first action FR).
- 28) § 1.105 A new rule that would provide explicit authority for an examiner or other Office employee to require the submission of such information as may be reasonably necessary to properly examine an application or treat a matter therein. (So as to prevent abuse, any inquiry from the examiner would have to have some basis in the record.) The requirement for information may be included in an Office action that includes other matters or sent separately. Any reply that states that the information required to be submitted is unknown and/or is not available would be accepted as a complete reply.

- 29) § 1.111 Commissioner (delegated to Directors) would have the right to disapprove entry of second supplemental replies (a third reply) (where: a significant amount of time had already been spent by the examiner on preparation of an Office action on the previous replies, and substantial rework would be required in view of the second supplemental reply). See also § 1.115
- 30) § 1.115 A new rule. The right of disapproval of § 1.111 (for second supplemental replies) would also be available for preliminary amendments not filed within three months of non-CPAs, or not filed with CPAs.
- 31) § 1.121 Amendment made by “clean” copy replacement of entire numbered paragraph, or claim, or section. Where paragraphs of the specification are not numbered, amendment by replacement specification or section would be required as Office would not do the paragraph numbering. Adding or deleting a paragraph would not require renumbering of other paragraphs. Entire paragraph/claim can be deleted by instruction.
- Addition/deletion of specific words or sentences would no longer be permitted.
- A marked-up copy of replacement paragraphs/sections for examiner use must be submitted until electronic file wrapper instituted. See also § 1.52(b)(6). When creating paragraph numbers for a previously submitted specification not containing paragraph numbers, the applicant need not show added numbers as changes in the marked-up copy.
- 32) § 1.131(a) Eliminates the requirement that the section is only applicable to avoid rejections based on a U.S. patent to expand its use, e.g., to include overcoming a rejection based on a prior knowledge or use under 35 U.S.C. 102(a).
- 33) § 1.132 Expands scope of rule to overcome rejection based on a prior knowledge or use under 35 U.S.C. 102(a).
- 34) § 1.137(c) For revivals of utility and plant applications filed before June 8, 1995, the period needed to be disclaimed would not be the entire period of abandonment but only the period extending beyond 20 years from the earliest filing date if it is a lesser period than the period of abandonment.

The terminal disclaimer provisions would no longer apply in pre June 8, 1995 applications (except designs) where revival is sought solely for purposes of copendency with a utility or plant application filed on or after June 8, 1995, since the 20 year term of the later application begins from the 35 U.S.C. § 120 benefit date of the earlier application.

- 35) § 1.152 Would eliminate provisions, currently found in paragraph (b) of § 1.152, relating to the integral nature of indicia disclosed in drawings or photographs filed with a design application to conform to In re Daniels, 46 USPQ2d 1788 (Fed. Cir. 1998).
- 36) § 1.155 The section is redrafted to establish a procedure to create a “rocket docket” for design applications. A preliminary examination search, a statement that the search was made with an indication of the field of search, an IDS, formal drawings in compliance with § 1.84, and a fee would be required (estimated to be \$900).
- 37) § 1.163(c)(4) The Latin name of the genus and species of the plant would be required to be supplied in the plant application to aid in search and examination.
- § 1.163(c)(14) The requirement for a plant color coding sheet would be removed.
- 38) § 1.173(a)(1) Requires reissue specification and claims to be furnished as a copy of the printed patent in single column format.
- § 1.173(a)(2) Transfer of the drawings from the patent file to the reissue application would no longer be permitted. New drawings, such as copies from the printed patent, will be required.
- § 1.173(c) Requires an explanation of support in the disclosure of the patent for changes to the claims made at filing since the addition of new matter is prohibited.
- 39) § 1.176(a) The prohibition against requiring division in reissues would be eliminated, and a provision added to permit restriction between: (a) claims to previously unclaimed subject matter added in a reissue application, and (b) the original patent claims.

- 40) § 1.177 Eliminates the requirements: a) that divisional reissues be limited to separate and distinct parts of the thing patented, b) that divisional reissues issue simultaneously unless ordered by the Commissioner, c) for a petition to avoid simultaneous issuance, and d) of referral to the Commissioner upon filing of the divisional reissue.
- The rule would be expanded to include continuations of reissues as well as divisionals, and require that all multiple applications for reissue of a single patent include a cross reference to the other reissue application(s). Where one reissue issues without the appropriate cross reference, the Office would issue a certificate of correction to provide the cross reference. (These are changes consequential to In re Graff, 42 USPQ2d 1471 (Fed. Cir. 1997)
- 41) § 1.178 Where the original patent is lost or inaccessible and an offer to surrender it in a reissue application cannot therefore be made, a statement rather than an affidavit or declaration would be required to inform the Office of the loss or lack of access.
- An offer to surrender a patent (that has not been lost or is not inaccessible) would no longer be required to accompany the filing of a reissue application (“must” replaced by “should”).
- 42) [§ 1.191+] [The 2 proposals in the ANPR (for a pre and a post brief appeal review procedure) are NOT carried forward in the NPR. Instead, the Office will hold an appeal conference as set forth in the MPEP 1208.]
- 43) § 1.311(b) Authorizations to charge the issue fee may be filed only after the mailing of the notice of allowance.
- 44) § 1.312(b) No amendments would be permitted while keeping the application in the issue process. Thus, amendments (after issue fee paid) must be accompanied by: a petition to withdraw the application from issue, an unequivocal statement that at least one claim is unpatentable, and an explanation of how the amendment is necessary to render the claim or claims patentable. See also §§ 1.85, 3.81(b).

- 45) § 1.313(b) Applicant would no longer be permitted to withdraw an application from issue on the basis of: mistake on the part of the Office, a violation of § 1.56 or illegality in the application, or for interference. The Office would retain the ability to do so on these grounds. Applicants could still withdraw based on unpatentability or for express abandonment (to refile the application for consideration of an IDS).
- 46) § 1.324(b)(1) Eliminate the requirement for a statement from the inventor being deleted from a patent that the inventorship error occurred without deceptive intent to conform to Stark v. Advanced Magnetics, Inc., 43 USPQ2d 1321 (Fed. Cir. 1997).
- 47) § 1.366(c) Additionally provide that where the maintenance fee payment only identifies the patent number (and not also the application number) the Office may apply the payment to the identified patent or return the payment.
- 48) § 1.550(c)(2) Where an untimely response is submitted in a reexamination proceeding, a petition to accept the response would be granted, provided the petition is filed before expiration of the maximum statutory period and is accompanied by: a statement that the delay was unintentional, and the petition fee (§ 1.17(h)) of \$130 (the fee is not dependent on the actual amount of time for which the petition was needed).
- 49) § 1.740(a)(9) Replace requirement for explaining how each applicable claim reads on the categories of approved product, or method of using, or method of manufacturing, with the requirement that the explanation is needed for only one claim in each category.
- 50) § 1.740(b) The requirement for an oath/dec is deleted.
- 51) § 1.741(b) Review of a notice that an application for extension of patent term is incomplete, or review of the filing date accorded an application therefor, would now require a petition and petition fee, and the period for filing the petition would now be extendable under § 1.136.
- 52) § 1.809(c) The three month extendable time period for making a deposit would be replaced with a period not specified in the rule but fixed in an Office action that would not be extendable.

- 53) § 1.821+ Permit nucleotide and/or amino acid sequence listings submitted on CD-ROM or CD-R to be the official copy. Two computer readable form submissions would be required, one of which must be an archival CD-ROM or CD-R, and paper need not be submitted. See also § 1.96.
- 54) § 3.71 Revised to provide definitions of a single assignee and partial assignees linked to being of record in the patent application/proceeding and to set forth how each may become of record and thereby intervene to control prosecution in a patent application/proceeding.
- 55) § 3.73 Clarify that the documentary evidence required must include proof of who the assignee is. Clarify that the § 3.73(b) submission is required in addition to (although it may be combined with) the specific action taken (e.g., appointing an attorney) by the assignee. Require that a partial assignee in a patent application/proceeding indicate in the submission the extent of its ownership interest, to help account for the entire ownership interest.
- 56) § 3.81(b) Eliminate the provision for submission of an assignment after the issue fee is paid. See §§ 1.85, 1.312(b).
- 57) § 5.12 Requires a petition fee (§ 1.17(h)) for all petitions for a foreign filing license (rather than just expedited petitions) since all such petitions are treated on an expedited basis.

The NPR proposes changes to the following sections of title 37 of the Code of Federal Regulations:

1.4, 1.6, 1.9, 1.12, 1.14, 1.17, 1.19, 1.22, 1.25, 1.26, 1.27, 1.28, 1.33, 1.41, 1.47, 1.48, 1.51, 1.52, 1.53, 1.55, 1.56, 1.59, 1.63, 1.64, 1.67, 1.72, 1.77, 1.78, 1.84, 1.85, 1.91, 1.96, 1.97, 1.98, 1.102, 1.103, 1.111, 1.112, 1.121, 1.125, 1.131, 1.132, 1.133, 1.136, 1.137, 1.138, 1.152, 1.154, 1.155, 1.163, 1.173, 1.176, 1.177, 1.178, 1.193, 1.303, 1.311, 1.312, 1.313, 1.314, 1.322, 1.323, 1.324, 1.366, 1.446, 1.497, 1.510, 1.530, 1.550, 1.666, 1.720, 1.730, 1.740, 1.741, 1.780, 1.809, 1.821, 1.823, 1.825, 3.27, 3.71, 3.73, 3.81, 5.1, 5.2, 5.12, and 10.23.

Additionally, this notice also proposes to amend title 37 of the Code of Federal Regulations by removing §§ 1.44 and 1.174, and adding §§ 1.76, 1.105, and 1.115.